Arkansas Health Information Technology Executive Committee Meeting

RAY SCOTT, MSW, STATE COORDINATOR
FOR HEALTH INFORMATION TECHNOLOGY

MARCH 26, 2010

ARKANSAS CENTER FOR HEALTH IMPROVEMENT
EXECUTIVE CONFERENCE ROOM
10:30 AM TO 1:00 PM

Meeting Purpose & Process

The Purpose

- Working session for Executive Committee **Action**
- Desired Result: Move the Planning Process Forward
- Focus: **Strategic** which emphasizes "**What** Not How"

The Process

- Brief presentations of recommendations by Co-Chairs
- Questions, comments, discussion open ONLY to EC members
- Recognize for Motion to:

  A. Accept recommendations

  B. Refer back to WG for more info or action

If referred back to WG, they must act within one week

Executive Committee

VOTING PROTOCOL

Legal and Policy Workgroup Update

Workgroup Straw Proposals

RECOMMENDATIONS AND VOTE

Health Information Exchange

GOVERNANCE WORKGROUP

Strategic Planning Draft

Required Components for the Strategic Plan

- **Collaborative Governance Model**

  Strategic plan must describe the multi-disciplinary, multi-stakeholder governance entity including the membership, decision-making authority, and governance model.

- **State Government HIT Coordinator**

  The Strategic plan must identify the state government HIT Coordinator. The plan must describe how the HIT Coordinator will interact with the federally funded state health programs and also the HIE activities within the state.

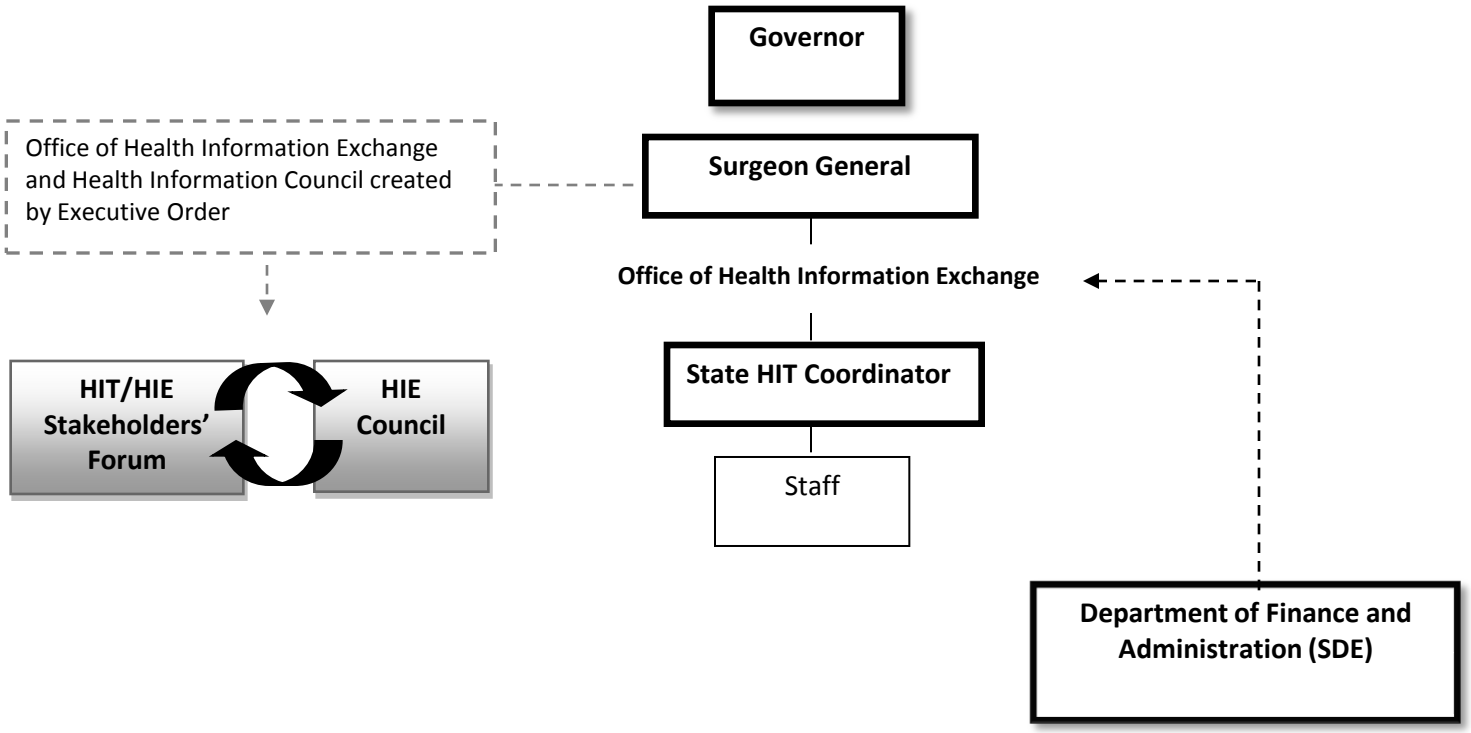
- **Accountability and Transparency**

  To ensure that HIE is pursued in the public's interest, the strategic plan must explain how HIE accountability and transparency will be addressed.

Phased Approach

- The governance structure must be flexible enough to accommodate the SHARE network as it evolves and matures. Therefore:
  - The workgroup recommends two phases to governance
    1. Phase 1 will be a state-led, collaborative model
    2. Phase 2 will transition to a more public/private model

Phase 1 Governance Structure



Phase 1

- Office of HIE and HIE Council established by Executive Order
- HIT Coordinator (Ray Scott) will head the Office of HIE
- HIT Executive Committee transitions to HIE Council
- Existing HIT Taskforce will become the HIE/HIT Stakeholders' Forum

Roles and Responsibilities

- Office of HIE:
  - Executes the day-to-day operations of the SHARE network
  - Oversee HIE operations and manages any services that are contracted out
  - Develops policies for HIE implementation and reviews with the HIE council
  - Ensures transparency
  - Manages and facilitates stakeholder participation in the HIE process
  - Ensures integration and coordination among other ARRA programs and state health programs

Roles and Responsibilities

- HIE Council:
  - Will continue to serve, as the Executive Committee, as an advisory body both to the Office of HIE and the Governor
  - Review all decisions from workgroups and the forum as needed

Roles and Responsibilities

- HIT/HIE Stakeholders' Forum
  - Members will continue to serve on workgroups as needed to further develop and implement the SHARE program
  - Forum will serve as a vehicle for members to provide feedback and bring concerns or issues regarding SHARE to the attention of the HIE Council and HIT Coordinator
  - A process will be established to further identify and engage additional stakeholders in SHARE to ensure the process and Forum is as inclusive as possible

Roles and Responsibilities

- Department of Finance and Administration
  - Serves as the State Designated Entity (SDE) and fiscal agent for the Arkansas State Health Information Exchange Cooperative Agreement Program
  - Administrative duties
  - Assists the HIT Coordinator and HIE program in setting project milestones and performance measures
  - Federal Grant reporting requirements

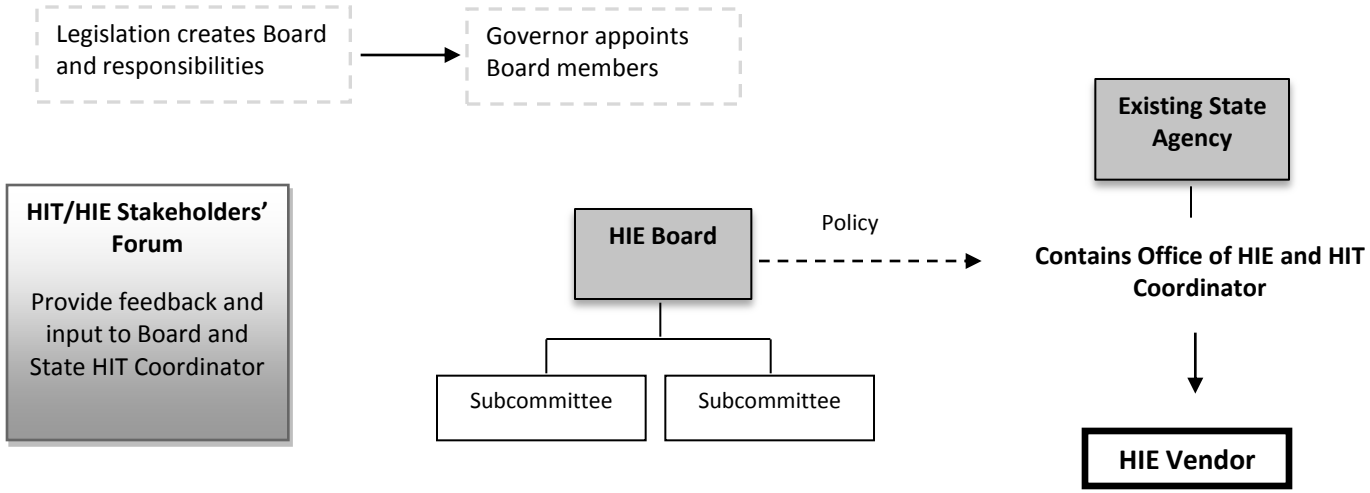
Phase 2 Governance Model

- The goal of this model is to allow stakeholders an even more prominent role in the decision making and oversight processes of SHARE
- An HIE Board will be formalized through legislation
- The Office of HIE will be housed within an existing state agency

Phase 2 Governance Model

- The Board will operate independently and develop policy related to the HIE
- Operations for the HIE will be contracted out to a vendor or vendors as needed, with the HIT Coordinator serving as a liaison to these vendors

Phase 2 Governance Structure



HIE Board

- Governor appoints 3 at large representatives
- Arkansas Medical Society-2 representatives
- Arkansas Hospital Association-2 representatives
- Community Health Centers of Arkansas- 1 representative
- Arkansas Pharmacists Association- 1 representative
- Home Health Association-1 representative
- Health Care Association-1 representative
- Osteopathic Association-1 representative
- Arkansas Department of Health-1 representative
- Arkansas DHS- 1 representative
- Arkansas Nurses Association- 1 representative
- Arkansas Dental Association-1 representative
- Payer- 1 representative

* Workgroup is in favor of reducing the number of members so long as there was a stakeholder body to ensure participation

Health Information Exchange

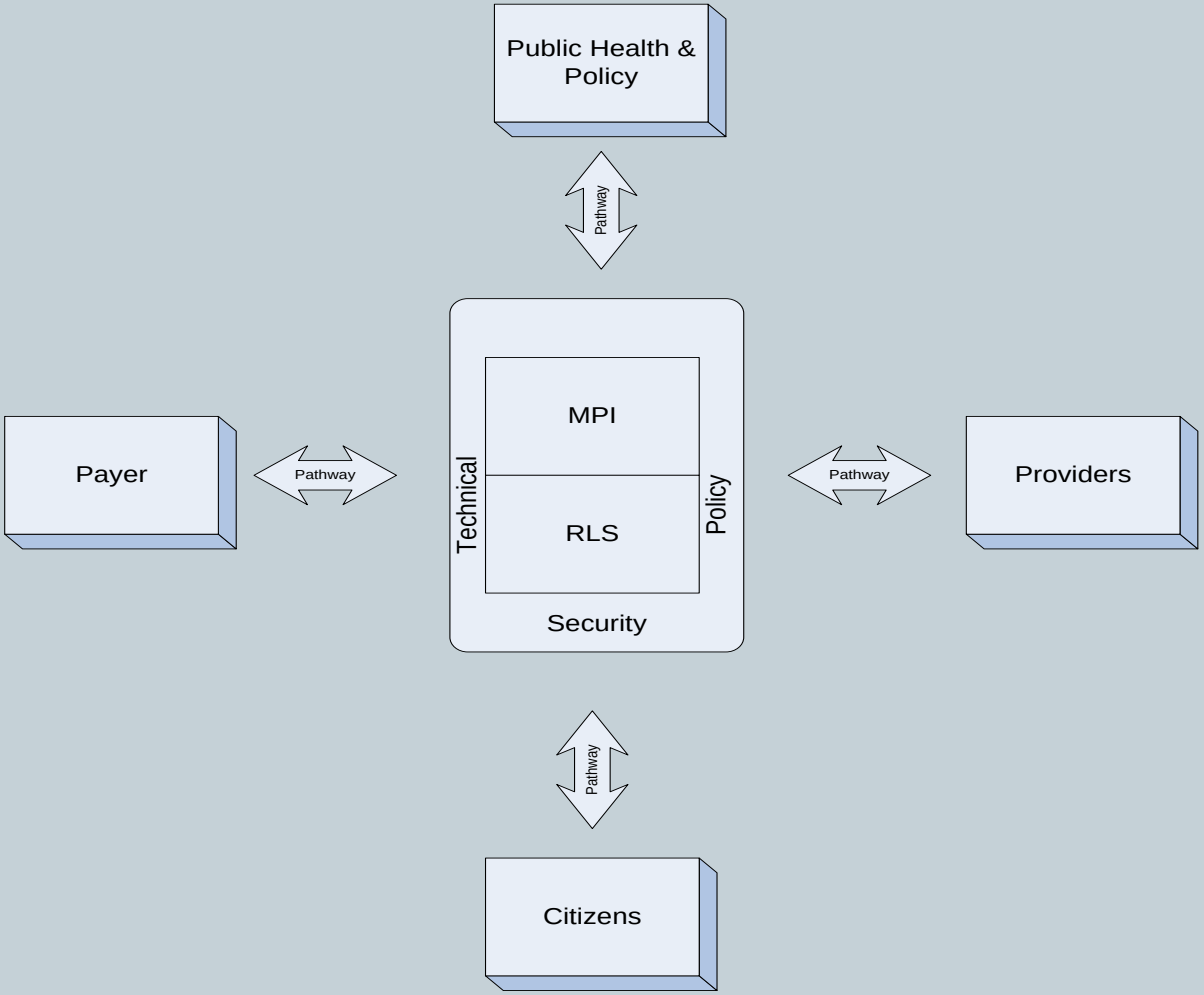
BUSINESS & TECHNICAL OPERATIONS WORKGROUP

Recommendations for Executive Committee

Operational Responsibilities

- The Arkansas Office of HIE will be administratively housed in the Arkansas Department of Finance and Administration.
- The Office will be led by the State Health Information Technology Coordinator, appointed by the Governor of Arkansas.
- The early stages of the HIE, focusing on technical development, education awareness and integration into the Arkansas health care.

Proposed Basic Health Information Exchange Business Model



HIE Functional Components

- Master Patient Index (MPI)
  - Patient identification and reconciliation
- Record Locator System (RLS)
  - Location of patient records
- Security and Policy
  - Security and authorization protocols necessary to ensure data security and quality
- Technical
  - Appropriate technical solutions for hardware and software needs

Coordination with Medicaid

- Consistent with and can enable implementation of the Medicaid meaningful EHR use incentives.
  - Goals
    - promote healthcare quality
    - promote health information exchange through the use of certified EHR technology.
- Medicaid business processes will need to align with the capabilities of the statewide HIE to support interoperability.

Coordination with Public Health

- HIE and Public Health Meaningful Use Criteria
  - Generate lists of patients by specific conditions to use for quality improvement, reduction, of disparities and outreach
  - Capability to submit electronic data to immunization registries and actual submission where required and accepted
  - Capability to provide electronic syndromic surveillance data to public health agencies and actual transmission according to applicable law and practice
  - Protect electronic health information created or maintained by the certified EHR technology through the implementation of appropriate technical capabilities

Acquiring and Maintaining State Human Resources

Primary Resource Areas

- Operational staffing
- Technical support
- Training and education

Acquiring and Maintaining State Human Resources

Operational Staffing

- Compliance
  - Responsible for ensuring the HIE network's continued compliance with Federal and State privacy and security laws (for example, HIPAA and GINA)
- Medical Coordination
  - Responsible for defining and coordinating the collaborative efforts between medical providers, public health, and quality initiatives
- Financial
  - Responsible for grant management, billing, general accounts receivable and payable, and necessary financial reporting.

Acquiring and Maintaining State Human Resources

Operational Staffing

- Operations
  - Responsible for overseeing the operational functions of the SHARE network to include managing any contractual relationships, ensuring proper training is provided on the use of the network, and facilitate technical support for the SHARE network.
    - Many of these functions may be contracted out to a third party vendor but this area will be responsible for managing the vendors.
- Administrative
  - Responsible for the administrative tasks required to support the HIE Council/Board, the office staff, and communications with stakeholders.

Acquiring and Maintaining State Human Resources

Technical Support

- Provide a high level of availability to all end users and functionality, including:
  - Analysis of stakeholder systems in regards to connectivity to the SHARE network
  - Ensuring the ongoing technical security of the network
  - Collaboratively troubleshooting connectivity issues with stakeholders' technical resources
  - Maintaining the Master Patient Index, Record Locator Service, and the secure messaging components of the network
  - Procuring and maintaining appropriate hardware to ensure the sustainability of the network

Acquiring and Maintaining State Human Resources

Technical Support

- Provide a high level of availability to all end users and functionality, including:
  - Developing appropriate contingency and disaster recovery plans to ensure a viable system
  - Ensuring end users are provided with appropriate technical training and resources to successfully utilize the network

Training and Education

- Workforce development
- Health system staff training

Recommendations

- HIE Functional Components
  - Master Patient Index (MPI)
  - Record Locator System (RLS)
  - Security and Policy
  - Technical
- Coordinate with Medicaid
  - MMIS criteria
- Coordinate with Public Health
  - Stage 1 and 2 Meaningful Use criteria

Recommendations

- Primary Resource Areas / Staffing Requirements
  - Operational staffing
    - Compliance
    - Medical Coordination
    - Financial
    - Operations
    - Administrative
  - Technical support
  - Training and education
    - Workforce development
    - Health system staff training

Pending Items

- Determination of recommended shared services / data elements included in the HIE
- Phased process for incorporating the shared services/ data elements
- Reporting and auditing requirements (collaboration with Legal and Policy workgroup)

Technical Infrastructure Workgroup

RECOMMENDATION TO HIT EXECUTIVE COMMITTEE

HIE Technical Infrastructure Overview

- Standards-based exchange of health information
- Incrementally migrate from basic to full integration as standards and technologies evolve
- Capitalize on existing community, private, and public health information exchanges
- Proof of concept migrating to full implementation
- Prioritized focus for interoperability and meaningful use
  - Clinicians
  - Citizens
  - Public Health entities
  - Payers (private and public)

HIE Technical Infrastructure

- Core Functionality
  - Services for **transmission** of structured healthcare data between certified systems
  - Master patient index (MPI)
  - Master encounter index/record locator service (RLS)
  - Master provider index
  - Request, view, and transmit information
  - Validate user identity and authentication

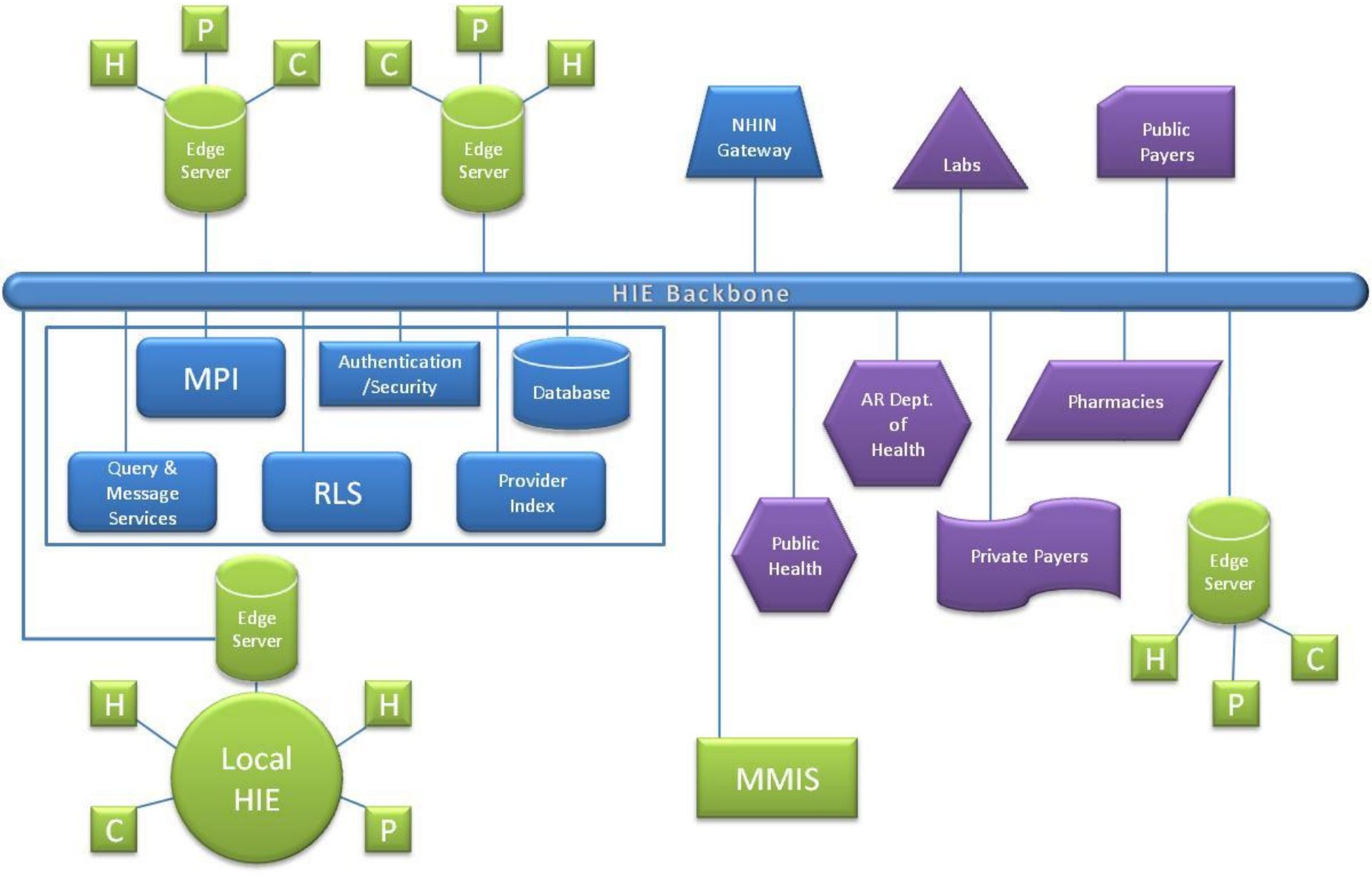
Design Principles and Requirements

- **Vendor "neutral",** i.e. non-proprietary
- Rely upon a **network infrastructure** to provide exchange services
- **Hybrid** architecture, not totally centralized nor decentralized
- Facilitate **exchange** of information
- Employ **interoperability standards** and interoperate with existing "exchanges"
- **Scalable & expandable**
- **Security, authentication, and privacy**

Design Principles and Requirements (Cont'd)

- Standard **data storage and management** protocols
- Supported by **business continuity and disaster recovery** processes

HIE Technical Architecture Schematic



Arkansas Health Information Exchange Finance Workgroup

STRATEGIC PLAN

RECOMMENDATION TO EXECUTIVE COMMITTEE

Finance Strategic Plan Proposal

- Components of Finance Strategic Plan Proposal (based on guidelines from HIE Toolkit):
  - Introduction
  - Key Assumptions
  - Finance Principles
  - Pricing Models for HIE Services
  - Innovative Partnerships
  - Stakeholder Contributions/Willingness to Pay
  - Role of the State
  - Financial Sustainability
  - Endorsement of Stakeholders

Introduction
APPROVED UNANIMOUSLY

- Planning based on three phases of development
  - Phase 1 – pilot/proof of concept
  - Phase 2 – implementation/operational
  - Phase 3 – sustainability
- Major objective for Finance: identify most effective methods of utilizing funds available for Phases 1 and 2 while also establishing a financing model for Phase 3
- Finance plan based on:
  - Analysis of other state's models
  - Review of various user fee models
  - Successful information technology operations in AR
- SHARE will build on its initial success to gain additional buy-in and additional investment

Key Assumptions
7 yes – 1 no

- The initial development of SHARE will be limited to currently-available funds until additional state, federal, private and/or user-generated revenues become available. The Cooperative Agreement Program will provide approximately $7.9 million for 2010-2013, and will be matched by state funding of $600,000 over the same time period.
- Initial expenditures will focus on creating functionalities that will meet established Federal Meaningful Use Criteria, allow Arkansas' Medicaid Management Information Systems to utilize SHARE, and that will assist the Arkansas Department of Health in meeting public health reporting requirements when and where possible.
- Where feasible, SHARE will provide services to Arkansas Medicaid, the Arkansas Department of Health, and other public agencies and programs to maximize federal funding available for such services.

Key Assumptions APPROVED UNANIMOUSLY

- SHARE's network infrastructure, to the extent possible and practical, will be developed by strategically utilizing existing network resources and capacity in Arkansas in order to maximize currently available funds from all potential sources.
- Currently available federal funds will be viewed as seed money and/or venture capital with which to attract a private vendor and/or investor as a contracted partner with Arkansas in the SHARE development process.
- A state-authorized entity will have the fiscal and management oversight responsibility for any contract developed with any vendor(s) hired to develop, implement and operate SHARE in Arkansas.
- Arkansas Medicaid will share in the development and operational costs of SHARE in close proportion to its use.

Finance Principles APPROVED UNANIMOUSLY

- Our goal is to finance an HIE system that will improve the health and well-being of Arkansans in the most efficient and effective manner possible.
- Financing of SHARE should ensure fair distribution and equitable allocation of costs for sustainability.
- SHARE will provide adequate financing to ensure security and privacy of exchanged information.
- SHARE's subscription and/or fee models will be properly developed to minimize the impact of user costs and provide incentives for utilization of services by all users.
- Long-term funding of SHARE's costs cannot be borne solely by any one stakeholder group or user group.

Finance Principles APPROVED UNANIMOUSLY

- Funding of SHARE's initial infrastructure should not be financed through future user/subscription fees.
- The business case(s) for SHARE must include expected return on investment, business value, cost savings, and a sustainable business model that includes public and private financing mechanisms.
- SHARE's operational revenue must be easily collectable and come from stable sources of funding.
- SHARE will work with all HIT-related partners to leverage existing technologies, assets, funds, and other resources whenever possible, with initial efforts focused on existing uses of technology and on existing but underutilized technologies.

Finance Principles
MINORITY REPORT

- Every citizen of Arkansas should participate in the cost of SHARE because every citizen will benefit.
  - Feeling that charges will be passed on anyway, but not sure that should be a principle that we will charge everyone
  - Not sure there “should” be direct charges to "every citizen”
  - Will every citizen truly benefit? Should costs be paid by citizens or just by users? Should greatest cost go to those who use SHARE the most or those who benefit the most?
  - Everyone will see some benefit, but some may never “use”
  - Several people had strong feelings that this absolutely should be a principle and should be included

Pricing Models
APPROVED UNANIMOUSLY

- There will be “utility-type” fees for basic functions
- Fee /rate structure will be developed in Operational Plan
- Anticipate that various packages of services will be included, and that various fees/rates will be available in Phases 2 and 3
- Must provide steady, easily-collectible revenue
- In-depth analysis must be completed to inform final recommendations for fee structure

Innovative Partnerships
7 yes – 1 no

- Identify potential vendors who may also be willing to explore “partnership” possibilities
- Explore opportunities for vendors to become investors in SHARE

Stakeholder Contributions/Willingness to Pay 7 yes – 1 abstain

- Have already had large contributions of time (and therefore money) from numerous state-funded and privately-funded stakeholders
- Stakeholders have shown understanding of benefits of SHARE
- Will continue to contribute time and resources
- Anticipated initial users: payers, public health entities, clinical providers (physicians, nurses, hospitals, clinics, labs, pharmacies, etc.)
- Most stakeholders have shown willingness to pay in some way, but continued concern with providers' willingness to pay
- In-depth discussion and research focuses on benefits, cost savings and willingness to pay

Role of the State
6 yes – 1 no – 1 abstain

- $600,000 appropriated as matching funds for 2010-13
- Some direct financing expected from some state agencies with HIE needs, but need to be confirmed and specified:
  - Dept of Human Services, Dept of Health, Insurance Dept, etc.
- Indirect financial contributions:
  - Public and private initiatives related to HIT
  - Some examples include: UAMS telemedicine, AFMC certifying docs for MU incentives, ATOM broadband project
- Relationships will be leveraged to maximize use of funds available for SHARE

Financial Sustainability APPROVED UNANIMOUSLY

- 2010-2013 budget already developed
- Sustainability budget based on assumption of creating public utility-type financing model
- Will blend:
  - public funding
  - private investment
  - User/subscription fees
- Budget must support SHARE functionalities as defined by TI and BTO
- Additional functionalities funded through public or private grants, private investment or excess user fees

Financial Sustainability APPROVED UNANIMOUSLY

- Risks:
  - Inability to create business cases that prove financial value (return on investment, business value, cost savings)of SHARE's services to potential customers, partners, or investors
  - Inability to obtain proper legislative support or approval for public utility-type model
  - Inability to provide the technical services for which users are willing to pay fees
  - Inability to provide SHARE's services on a timeline sufficient to generate positive operating revenue before Cooperative Agreement and State funding expires
  - Development of a second HIE or HIE-type service, or open-source service(s), that may supplant SHARE prior to its full implementation

Endorsement of Stakeholders
7 yes – 1 abstain

- Finance Workgroup's Strategic and Operational Plans, including specific budgets and funding sources, will be presented to Arkansas Health Information Technology Task Force
- Discussion, comments will be contributed by TF and addressed by Workgroup
- Approval by majority vote of Task Force